

Affidavit of Petrus Stephanus Venter  
Identity Number 7101245040083  
Of Noordheuwel Krugersdorp  
Gauteng

Context of TAX Fraud and Racketeering by Gavin Watson

My full names are Petrus Stephanus Venter, a white male aged 46, resident at Noordheuwel Krugersdorp hereby declare that the attached affidavit and the Annexures labeled Files 1 to 2 are a true reflection of the occurrences at Bosasa Group of Companies / African Global Operations and the dealings of Mr. Gavin Joseph Watson

The statements made are in my opinion factual, substantiated by records and copies of invoices and receipts, the intention hereof is not to seek monetary gain, but to clear mine and related parties' names, after being coerced and forced to conduct what we realize what instructions from Gavin Joseph Watson. This matter has affected my health and relationships.

This affidavit is done without any duress or pressure and is done subsequent to the meetings held with Gavin Watson as detailed.

Corrupt dealings involving the South African Revenue Services  
and other matters

1.

I was employed as an auditor with The South African Revenue Services (SARS) from December 1991 to August 2004.

2.

During my last year with SARS I met Andries van Tonder and Tony Perry from the Bosasa Group. My colleague Johan Terblanche, a Chartered Accountant by profession, conducted an audit on Bosasa Operations (Pty)Ltd.

Johan Terblanche involved me in the audit and we went to the premises of Bosasa Operations where we met with Andries van Tonder and Tony Perry about the audit queries we had.

Before we could conclude the audit, we terminated our Services with SARS. The reason for the termination of my service was the roll out of the Siyaka Project. As a result of the Siyaka Project all the SARS auditors were redeployed to Megawatt Park, Sunninghill.

3.

Two acquaintances of mine approached me and asked me to join their auditing and accounting practice.

I resigned from SARS on 31 August 2004 and joined their firm BesterViljoen Inc. on 1 September 2004.

4

A couple of months later, after joining the BesterViljoen practice, one of the partners and I, approached Tony Perry and Andries van Tonder of Bosasa Operations to take over the audit and tax services of the Group.

Shortly thereafter BesterViljoen Inc. was appointed as the auditors and tax consultant.

5

Over the years I have built up a good relationship with Tony Perry, Andries van Tonder, Gavin Watson, Jacques van Zyl, Carlos Bonifacio, all the directors and other employees of the Bosasa Group.

Gavin Watson realized this and wanted me to get more involved in the business, in the form of a consultant from an external point of view. I was therefore not just a tax consultant for the Bosasa Group.

7

Although I had to attend to the normal duties of a tax consultant, Gavin Watson wanted more from me:

- Gavin Watson informed all the directors that I will be handling their annual personal tax returns and the company will pay for this service.
- I was also instructed to do the annual tax return of Patrick Gillingham and
- The annual tax return of L Mti

8

At the beginning of 2016 Gavin Watson approached me to take over Consilium Business Consultants (Pty)Ltd, a company which belonged to Dr. Jurgen Smith. Dr. Smith was diagnosed with cancer and wanted to exit the company as soon as he could.

Consilium is a labour broker company who employs people for the Bosasa Group of Companies.

9

All Gavin Watson's family members, who renders no services to the Bosasa Group, are also on the payroll. Gavin Watson instructed me to keep this very confidential and I wasn't allowed to discuss this with anybody else other than him.

10

During the middle of August 2017, Gavin Watson approached me to assist him to pay the legal costs of Mr. Hlaudi Motsoeneng.

On 17<sup>th</sup> August 2017, I received an invoice from Walter Jele from Majavu Attorneys - proof attached

I have paid the total invoice amount of R 1,187,656.82 in two installments:

- 1<sup>st</sup> payment of R 600,000 on 20 August 2017 - proof attached
- 2<sup>nd</sup> payment of R 587,656.82 on 21 August 2017 proof attached

11

During September 2017, Gavin Watson approached me to assist him and Syvion Dhlamini to make three payments to Moroko Consultants, Training & Development (Pty)Ltd.

Lindsay Watson prepared a consulting agreement between Miotto Trading & Advisory Holdings (Pty)Ltd and Moroko Consultants, Training & Development (Pty)Ltd - attached - No services have been provided as this is merely a front for other intentions.

I had to make three payments of R 450,000 each to Moroko Consultants. The first payment was made on 30<sup>th</sup> September 2017 - proof attached.

The second payment was made on 28<sup>th</sup> October 2017 - proof of payment attached.

The final payment is only due by the end of November 2017.

The agreement mentions that Moroko Consultants will "provide and render consulting services to Miotto for a turnaround business strategy and to provide the necessary training and development to implement such"

## 12

Gavin Watson approached me once again on 17<sup>th</sup> October 2017. He wanted me to assist him with a payment towards the purchase of a residential property for Ms. Lindie Gouws.

The amount was for R 2.5 million and I had to consider the amount to be a loan (Ms. Gouws insisted that a loan agreement be drawn up)

Gavin Watson took me to Natasha Olivier and instructed her to pay R 3 million from his personal account into Miotto Trading & Advisory Holdings (Pty)Ltd bank acc.

It must be noted that I could not question Gavin Watson as he would get upset with me, so I made the payments even though I knew that this was not correct

- R 2.5 million was for the purchase of Ms. Gouws residential property and
- R 500,000 to Efg2 with an ABSA Bank account, I was merely told it was for a foundation / trust of Andile Ramaphosa, the son of the Deputy President of the republic of South Africa, I found this strange but wouldn't dare question Gavin Watson.

The R 3 million was paid on 17 October 2017 into Miotto's bank account.

## 13

On the morning of 6<sup>th</sup> November 2017, Ms. Gouws called and informed me that she is not going ahead with the transaction and I should repay Gavin Watson's money immediately.

I recall she had a meeting with her attorney, Darryl Ackerman about issues pertaining to Angelo Agrizzi, whom she was paranoid about earlier that morning.

After her meeting with the attorney, she instructed me to repay Gavin Watson's money which I did.

The attorneys who handled the property transaction was Louise Tonkin Inc. and the contact person was Joan Fourie - Attached are all the emails in this regard.



14

I was instructed to pay the R 500,000 (part of the R 3 million payment which was received) to Efg2 into an ABSA account. Gavin Watson mentioned that the payment is towards Andile Ramaphosa Foundation - proof of payment attached

15

Gavin Watson asked me to assist Lindie Gouws on many occasions, from calming her down to getting her to focus. One of the tasks he instructed me to do was to register a company called The Exchange Space (Pty)Ltd.

The purpose of the company is to do the marketing and Branding of the Bosasa / African Global Group.

Over and above her monthly salary I had to now pay Lindie Gouws a Gross salary of R 42,000 per month in order to clear a net amount of R 24,000. This amount had to go toward Ms. Gouws' bond repayment (R 1 million bond repayable over 10 years - just estimated). Proof of the pay slip is attached.

I want to emphasize the fact that the salary from The Exchange Space (Pty)Ltd was purely for the bond repayment, as Ms. Gouws gets paid from Consilium Business Consultants for her services. Her monthly cost to Company is R 137,717.00

16

I would complain that this practice was incorrect and morally disturbing, but Gavin Watson threatened that my services and those of my company will be terminated. I had to do what was asked from me or else what had happened to so many would happen to me.

17

Gavin Watson always wants someone else to blame for his actions. An example of this was when I had to ask Mr. Angelo Agrizzi what kind of Christian he is. When Mr. Agrizzi took Mr. Watson on about this, I had to take the blame for the attack on Mr. Agrizzi's character. It is a constant and disturbing pattern, that Gavin Watson would instruct people to act illegally and then discard them, or get rid of them as he felt it got rid of the evidence.

Interestingly Gavin Watson would never sign anything, so as to exonerate himself from any wrongdoing. This was evident in the fact that his intention with Graham Richards was to implicate Agrizzi and Van Tonder whereas they never benefitted.

## 18

Mr. Gavin Watson just kept on making illegal demands and I just couldn't take it anymore. The last nail in the coffin was when he told me to meet with Mr. Patrick Gillingham and to hand him a parcel containing cash, I knew it was cash because it was wrapped in a bank secure bag.

This happened on Friday the 27th of October 2017. I had to go to the office of Bosasa /African Global where Lindsay Watson, the daughter of Gavin Watson, handed me a parcel.

I reluctantly called Mr. Gillingham who met me at my office, at 269 Voortrekker Road Monument Krugersdorp, an hour later. I handed him the parcel and he left. I decided that this will never happen again.

## 19

Mr. Gavin Watson promoted Louis Passano and Colleen Passano to handle the company and Group finances.

Louis Passano approached me during October 2017 to make changes to his pay slip. He is an employee of Consilium Business Consultants (Pty)Ltd.

He instructed me on behalf of Gavin Watson to reduce his salary from R 137,000 cost to company per month to R 90,000 cost to company per month.

## 20

When I confronted him about this he was very vague about this, but then he mentioned something about his estate. It was then when I realized that he was sequestrated and should not be in the position of running a company's finances. The second thing is that he wants to show his curator that he earns less than he does. By doing this he will pay a lower amount to his creditors.

I have attached the before and after pay slips. Louis Passano also mentioned that Mr. Gavin Watson will pay the balance in cash. By doing this he defrauds SARS as well as the curator. The actions could eventually impact on Consilium as amounts to a fraudulent

transaction, besides Louis Passano already has a 5-year suspended sentence.

21

Pursuant to the closure of SeaArk, Gavin Watson in a meeting clearly stipulated that he did not want lose the assessed loss of ZAR 138,498,378 as at the 2012 tax year and Gavin Watson insisted, rather more instructed that both Andries van Tonder and I do everything possible to maximize the use of the loss, by filtering the tax exposure of profits in other operations via the entity.

22

Andries van Tonder was instructed to change the main business of the Company to incorporate provision for the Company to utilize the assessed loss by inflating the purchase price of the raw material to other contracts, thereby utilizing the Company (SeaArk) as the newly changed Bosasa Supply Chain, which would handle all major purchases for the Group, reselling the goods at a markup, thereby effectively reducing the profits of the other entities, and averting having to pay the tax on profits.

23

The value of this created an opportunity to evade tax on an amount of R38,779,546.00. I was told that documents and processes were fraudulently manufactured in order to win the SARS investigation by satisfying them that SeaArk did trade for tax purposes which allowed the company to carry forward the assessed loss to future tax years.

24

SARS stipulated that proof had to be submitted to substantiate the claims and the argument of "trade", such proof was then fraudulently drawn up. As a result of the changes made and the submissions made, SARS granted the allowance of the assessed loss.



25

The value of the fraudulent claims on SeaArk is as follows;

**CALCULATION**

Assessed Loss	-	R 138,498,378.00
At 28%	-	R 38,779,546.00

Expenses and Equipment write offs allowed by SARS pursuant to an investigation triggered.

26

During the period 2015 to 2017, Gavin Watson decided to build residential homes for his newly married son Roth Watson and his daughter Lindsay Watson in Morningside, Sandton.

The houses were to be registered on Gavin Watson's name, to the best of my knowledge.

27

Gavin Watson instructed Andries van Tonder, the Chief Financial Officer of the Group, to oversee the payments to suppliers via the company financial processes and allocate the costs thereof to the various property companies, such as Luipaardsvlei Property, Leading Prospect Trading - Lindela etc., where large revamps were underway. These costs were either capitalized or expensed within the existing property companies that held properties within the Group of Companies. This means from order to invoice and payment the invoices would've had to look authentic.

The invoices were made out to the various entities and Peter Reiger was tasked to attend to the paperwork. I am aware Peter Reiger was instructed to make these fraudulent entries, as he mentioned the matter to me during consultation, I am also aware that he has kept records, due to the fact that Joe Gumede, a director actually enquired as to the rising costs at the Lindela Repatriation Centre. Carlos Bonifacio also queried the rising costs.

I was later tasked to retrench Peter Reiger

This resulted in the costs being absorbed by the Company as Cost of Sales and therefore having been expensed reduced the tax liability on the Company, allowing Gavin Watson the benefit of not paying for the houses personally but also allowing for the benefit to be passed onto the children.

Christo Viljoen, an employee of the company is used to oversee the construction.

28

Mark Taverner, brother in law to Gavin Watson retains Patrick Gillingham on the payroll of BEE foods, on a salary of R65,000 per month and a Company Car Mercedes GLA 200, the full costs are then added to the invoicing of BEE foods

29

During 2015 Gavin Watson, Lindsay Watson and Roth Watson instructed me to assist them with the restructuring of the Watson family entities in order to gain financially from the Bosasa Companies. They've identified the Software license agreements, also known as the Trustmaster Fleet and Trustmaster Youth Centers to be sold to a newly formed entity called Lamocest (Pty)Ltd. Agreements were prepared and the Intellectual Property (IP) was sold via a Phezulu Fencing to Lamocest (Pty).

Lamocest invoices Bosasa Youth Development Centers from August 2015 on average between R 348,000 and R 371,000 per month and Lamocest started off by invoicing Kgwerano Financial Services from August 2015 an amount of R 437,000 per month. This amount came down as the number of vehicles on the contract came down.

I don't think the directors or shareholders of the Bosasa Group are aware of the Profits which are effectively extracted from the Bosasa entities and only the Watson family is gaining from this.

30

The Watson family also wanted me to assist them to move a company called Phezulu Fencing (Pty)Ltd away from the shareholders who were, Bopa and Phafoga into the Watson family structure.

We managed to achieve that and by doing that they got their hands on a R 63 million loan account which Bosasa Operations owes to

Phezulu Fencing. The loan carries interest which means that the loan account just increases on an annual basis.

As far as I know, the directors nor shareholders of the Bosasa Group are aware of the financial gain which the Watson family is getting from this transaction.

Secondly, Phezulu Fencing was involved in a transaction with a company called Dealstream. Three payments of approximately R10 million, R 10 million and R 17 million have been paid from Dealstream to Phezulu Fencing (Pty)Ltd. Gavin Watson did not want to pay tax on these receipts because the company found themselves under cash flow pressure at the time. He insisted that we hide the receipts under contingent liability in the balance sheet instead of income, avoiding paying tax of R 10.3 million.

### 31

During January and February 2016, Gavin Watson and his daughter Lindsay Watson approached me to review the top shareholding structure of the Bosasa Group. I had to involve top professionals to assist us with this task. I approached Antonie van Wyk, Consultant to TRM Daniel Erasmus Tax Court Practitioners. Antonie drew up the Shareholders Agreement – annexure ... Clause 16 of the Shareholders agreement refers to a “Call option” – an extract of clause 16

#### ‘EXTRACT FROM FILE’

##### 1. CALL OPTION

- 1.1 *Mpako shall have a call option to purchase the BEE Equity of Mela or Nzunzo (or both of them) in the circumstances set out in this clause 1 (“the Call Option”).*
- 1.2 *Mpako shall have a call option to acquire the BEE Equity of either Mela or Nzunzo should one or more of the following events occur (or the BEE Equity of both should the event occur in respect of both):*
  - 1.2.1 *in the event that a Fault-based BEE Event, which results in a Rating Failure that is not rectified within 20 business days of the happening of such event, occurs;*
  - 1.2.2 *any direct or indirect change in the extent of a Specified Interest held by any Entity or natural person in Mela or Nzunzo including, for the avoidance of any*

doubt, any direct or indirect change in the extent of a Specified Interest in Mela or Nzunzo as the result of the dissolution of a marriage of Oliveria or Mkele;

- 1.2.3 any change in Control of Mela or Nzunzo;
- 1.2.4 any breach of any warranty given by Mela, Nzunzo, Oliveria or the Mkele Trust under clause **Error! Reference source not found.** above; or
- 1.2.5 in the event of Oliveria or Mkele, as the case may be, being dismissed from the employ of the Company for any reason other than for the operational requirements of the Company (retrenchment) or disability (incapacity due to ill health);

which event shall be referred to as an "Option Event.

- 1.3 At any time following the happening of an Option Event, Mpako may exercise the Call Option by giving written notice to that effect to Mela and/or Nzunzo, as the circumstances may require.
- 1.4 If Mpako duly exercises the Call Option then the sale and purchase which results shall be subject to the following terms:
  - 1.4.1 the effective date of the sale shall be the date on which the Call Option Price is determined ("the Call Option Date");
  - 1.4.2 if Mpako exercises the Call Option the option price of the Shares ("Call Option Price") shall be determined in accordance with the provisions of clause **Error! Reference source not found.**, provided that when any Option Event also qualifies as a Trigger Event the option price shall be 25% of the Call Option Price ("the Default Price");
  - 1.4.3 the purchase price for the Loan Account of Mela and/or Nzunzo, as the case may be, shall be the face value thereof as at the Call Option Date;
  - 1.4.4 the Call Option Price or the Default Price, as the case may be, shall be payable by Mpako to Mela and/or Nzunzo, as the circumstances may require, in cash in the currency of the Republic of South Africa, within 30 (thirty) days of the Call Option Date and only against fulfilment of all the requirements of Transfer of the Equity Interest of Mela and/or Nzunzo to Mpako as contemplated in clause **Error! Reference source not found.**
- 1.5 In the event of Mpako exercising the Call Option, and insofar as there are any debts owed by Mela or Nzunzo, as the case may be (each of them being referred to as "the Offending Shareholder") to the Company, all such debts shall become immediately due and payable to the Company by the Offending Shareholder. A certificate issued by the Auditors stating the reason and amount so due, shall be prima facie proof of the contents thereof and the Auditor's appointment need not be

*proved. Mela and/or Nzunzo shall be obliged to utilise the proceeds from the sale of their Equity Interest to Mpako to settle such debts.*

32

It is important to me to reveal the truth and allow a new start, as I have not unduly benefitted from the corruption and dishonesty created by Gavin Watson.

33

An important note is that on a previous occasion the servers at Bosasa "crashed" resulting in a massive data loss, pursuant to years dealing with Mr. Gavin Watson I learnt that he had arranged that they previously ensured the "crash" so that the SIU could not gather information, Mr. Andries Van Tonder and Mr. Angelo Agrizzi were aware of this. Concerning is during October I had a meeting with Mr. Gavin Watson in the office adjoining Mr. Andries Van Tonder's Mr. Watson then called Ms. Elise Eland to schedule another computer crash, this was discussed in my presence, that he then mentioned that a further circular had to go out notifying the employees that they were supposedly experiencing server issues, so that they would be aware there was "issues" this would ensure that the staff would be under the impression that the failure or crash could not be avoided, that way no one would be suspicious and they could get rid of potentially hazardous data files that could incriminate the Company and its Directors.

34

On the 13<sup>th</sup> of November 2017, after Carlos Bonifacio had been confronted by Gavin Watson. Gavin Watson contacted me and insisted to see me. I agreed to this and he came to see me at my office on this Friday afternoon (he wanted to meet at his office, but I said no). Carlos told Gavin Watson about my affidavit as well as the affidavits of Andries van Tonder, Frans Vorster and Leon van Tonder. Carlos also informed Gavin about the meeting we had at Angelo Agrizzi's home, the previous evening.

Gavin wanted to know whether I have signed my affidavit. He was very relieved when I told him that I haven't signed the document.

He asked me whether I am prepared to put my hand on the bible, that I haven't signed the affidavit. I told him that I haven't signed the document and that I am prepared to put my hand on the bible.

We had a two-hour meeting. During this meeting I have explained to him that the evidence against him will destroy him. He asked me to believe in him and he assured me that he will get through all of this. He kept on saying that Angelo Agrizzi and Andries van Tonder signed off all the documents in the company and they are also implicated.

Over the past few weeks he kept on saying that he is not going to deny the fact that there were cash transactions in the business. As a matter of fact, he is going to acknowledge this, and testify that Angelo Agrizzi and Andries van Tonder were the creators of the systems and procedures involving these transactions. He knew about this and if the three of them must go to jail, then so be it.

He went down to Port Elizabeth to meet with a friend and his personal legal advisor. The person's name is Graham Richards. He wrote a statement while he was with Graham Richards and he disclosed all of the above in his personal statement. About two weeks ago he called his daughter Lindsay Watson and he told her to come and show me his personal statement, which she did.

35

I kept on telling Gavin Watson that any unlawful transactions will bring the company down. He showed me the name of the Senior SARS official who manages the investigation department. According to Watson he met with this gentleman, who will handle the matter should somebody report him or his companies to SARS. Gavin Watson showed me the name of the SARS official on his phone. The gentleman's name is "Gorbi".

36

In support of any court application I would request that the honorable court subpoena the following persons to testify on the statements made and the truth of the allegations stemming from my statement.



These are as follows;

Carlos Bonifacio	Carlen Daubert	Hennie & Christo Viljoen
Christina Herbst	Rika Humdermark	Natasha Olivier
Jacques Van Zyl	Colleen Passano	Muniriah Oliveria
Tony Perry	Louis Passano	Andries van Tonder
Lindie Gouws	Magda Van Rensburg	Elise Eland
Andries Erasmus	Richmond Mti	Patrick Gillingham
Frans Vorster	Gavin Watson	Linda Mti
Angelo Agrizzi	Joe Gumede	Patrick Gillingham

Signed by Petrus Stephanus Venter



19<sup>th</sup> Day of December 2017 at George, Western Cape, South Africa

- SIGNED and SWORN/AFFIRMED to before me at DECEP day 18 of December 2017, the Deponent having acknowledged that she knows and understands the contents of this Affidavit, which is deposed to in accordance with the regulations governing the administration of an oath as more fully set out in Government Notice R 1258 of the 21st July 1972, as amended by Government Notice 1648 dated the 19th of August 1977 and Government Notice 903 dated the 10th July 1998.

**COMMISSIONER OF OATHS**

**FULL NAMES:** Arnos Mar

**STATUS:** wo

**STREET ADDRESS:** Mosselsteep, Mossel Bay

W/O  
0452575-2  
MONO  
**COMMISSIONER**

**OF OATHS**

FULL NAMES:

*Andrus Maw*

STATUS:

*W/O*

STREET ADDRESS:

*Mosselkopp, Mosselkopp*

